

# State of South Dakota

SEVENTY-FOURTH SESSION  
LEGISLATIVE ASSEMBLY, 1999

912C0435

## HOUSE BILL NO. 1236

Introduced by: Representatives Sutton (Daniel), Crisp, Engbrecht, Hanson, Hennies, Kooistra, McIntyre, Slaughter, Waltman, and Weber and Senators Whiting, Ham, and Lange

1 FOR AN ACT ENTITLED, An Act to increase the retail sales tax on certain alcoholic beverages  
2 and to distribute the revenue to counties.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That chapter 10-45 be amended by adding thereto a NEW SECTION to read as  
5 follows:

6 There is hereby imposed an additional tax of three percent on the gross receipts from the sale  
7 of alcoholic beverages as defined in § 35-1-1. The tax shall be collected in addition to the four  
8 percent retail sales and use tax on both on-sale and off-sale sales of alcoholic beverages.

9 Section 2. The Department of Revenue shall administer the tax provided for in section 1 of  
10 this Act. The department shall prescribe forms and promulgate rules pursuant to chapter 1-26  
11 for the making of returns and for the ascertainment, assessment, and collection of the tax. The  
12 department shall keep full and accurate records of all moneys received and distributed by the  
13 department under this Act.

14 Section 3. All moneys received and collected by the Department of Revenue, pursuant to  
15 section 2 of this Act, shall be credited to a special county fund which is established in the state  
16 treasury and, after deducting the amount of refunds made and the amounts necessary to defray

1 the direct cost of collecting the tax, shall be paid to the counties as provided in section 4 of this  
2 Act.

3 Section 4. Each county's share of the payments from the special county fund created in  
4 section 3 of this Act shall be computed using the following factors:

5 (1) The percent of the total population of the state which reside in each county based on  
6 the most recent United States census date; and

7 (2) The percent of the true and full assessed value of the state associated with each  
8 county as determined by the Department of Revenue.

9 Each county's share of the payments from the special county fund shall be calculated by  
10 multiplying the average of the two factors by the total payment.

11 Section 5. Payments shall be made to the counties from the special county fund quarterly as  
12 follows:

13 (1) January first, based upon tax revenues collected between July first and September  
14 thirtieth of the preceding year;

15 (2) April first, based upon tax revenues collected between October first and December  
16 thirty-first of the preceding year;

17 (3) July first, based upon tax revenues collected between January first and March thirty-  
18 first of the current year; and

19 (4) October first, based upon tax revenues collected between April first and June thirtieth  
20 of the current year.

21 Section 6. The payments received by the counties pursuant to sections 4 and 5 of this Act  
22 shall be deposited in a special law enforcement fund and the revenue may be used only for jail,  
23 law enforcement, juvenile justice programs, and court expenses. The board of county  
24 commissioners shall, by resolution, establish a means of distributing the revenue among the  
25 county law enforcement agencies within the county.